

DURHAM CITY COUNCIL WORK SESSION
Thursday, March 22, 2018 @ 1:00 p.m.
2nd Floor Committee Room – 101 City Hall Plaza

The Durham City Council held a Work Session on the above date and time in the City Council Committee Room located at 101 City Hall Plaza with the following members present: Mayor Steve Schewel, Mayor Pro Tempore Jillian Johnson and Council Members Vernetta Alston, Javiera Caballero, DeDreana Freeman, Mark-Anthony Middleton and Charlie Reece. Absent: None.

Also present: City Manager Tom Bonfield, City Attorney Patrick Baker and City Clerk Diana Schreiber.

Mayor Schewel called the meeting to order and welcomed all in attendance.

[ANNOUNCEMENTS BY COUNCIL]

Mayor Pro Tempore Johnson stated she would be presenting a resolution in support of public employee bargaining rights and rights for employee organizations; and explained there would be representatives commenting from the local UE #150 at the meeting.

Nathanette Mayo, Statewide President of UE #150, explained that employee standards had been wiped out through the years; advocated for repealing NCGS #9598 that banned collective bargaining; and supported the resolution and employee advocacy focused on safety and fairness in the form of bulletin boards, new employee orientation presentations, access to facilities for employee meetings and safety, promotion and grievance committees.

Dante Strebino of Yorkdale Court, echoed support for unionization for city workers; and spoke to a city employee working 12 hour days in the summer.

Mayor Pro Tempore Johnson explained the details of the resolution included language from UE #150 along with a national campaign; and noted that a pending Supreme Court case (Janus v. AFSCME) pertinent to working conditions of public service workers could thus potentially impact unions at the local level.

Council appreciated the efforts surrounding the resolution's principles and formulation; summarized the recommendations; voiced support of the resolution; approved the removal of Section #4; and inquired if an adverse decision with the Supreme Court's Janus case would have a negative impact on the local conditions.

Council Member Middleton stated the resolution was not an appropriate medium for Council to direct staff; and as the final arbiter of the city's business, Council should assume the responsibility to direct staff and therefore, Section 4 should not be in the resolution. Council Member Alston inquired with the City Attorney about the impact of the federal case. Council Member Alston inquired with the City Attorney about the impact of an adverse decision in the Janus Case at the US Supreme Court; and the residual impact on the recommendation. City Attorney Baker responded he would review and follow-up with Council.

Mayor Schewel requested the item be placed on the upcoming Consent Agenda at the Council Meeting; and spoke to the recommendations and requested City Manager Bonfield's comments.

City Manager Bonfield stated he had not received the resolution's language and had not formally evaluated the content; however, he was willing to review the content and report back to Council.

Council Member Middleton expressed appreciation to his colleagues for granting him an excused absence to the Council Meeting held on March 19, 2018.

Mayor Schewel asked for priority items from the City Manager, City Attorney and City Clerk.

City Manager Bonfield stated there was a priority item of Agenda Item #9, Acceptance of the 2018 Meet Me at the Park Grant from the National Park and Recreation Association and Disney, ABC and ESPN; and requested Council suspend the rules and vote on the item due to a supplemental communication in the agenda that discussed the need to move the item forward to begin processing the grant and to avoid missing out on the opportunity.

MOTION by Council Member Reece, seconded by Council Member Alston, to accept the Manager's priority item was approved at 1:20 p.m.; the motion was approved unanimously.

City Clerk Schreiber requested that Agenda Item #1 be referred back to the City Clerk's Office; and recommended the Agenda Header on the Work Session Agenda be revised from Citizen's Matter to Resident's Matters, effective at the April 5th Work Session, along with a suspension of rules.

MOTION by Council Member Reece, seconded by Mayor Pro Tempore Johnson, to refer Item #1, Approval of the Minutes, to the City Clerk's Office was approved at 1:26 p.m.; the motion was approved unanimously.

Mayor Schewel restated the requested motion by the City Clerk to suspend the rules and to vote to change the heading on the Work Session agenda from Citizens' Matters to Residents' Matters.

Council Member Reece explained that as the Chair of the Procedures Committee, he had been researching the usage of the term 'citizens' matters' in city documents and that the proposed change to the Procedures Manual to make the language more accessible and welcoming to the public was supported; explained the Clerk's rationale; and indicated the change could be made after budget season.

MOTION by Council Member Reece, seconded by Mayor Pro Tempore Johnson, to suspend the rules for a vote.

Council discussed the timing of the item.

Council Member Middleton requested the record reflect that he was totally supportive of the language being inclusive; however, wanted to know before the meeting about changes that were representative of city business.

Council Member Caballero objected to the delay and urged Council to move forward.

Mayor Schewel recommended that the item be held for future deliberation.

Discussion ensued following which, Council determined the revision would be addressed at a later date and no vote was taken.

Mayor Schewel announced the items on the printed agenda individually and pulled the following items for comments, presentation, and/or further discussion: Item #3, FY18-19 Budget Development Guidelines; Item#4, U-3308 NC 55 (Alston Avenue) Widening Supplemental Agreement; and Item #15, Yard Waste Operations Contract with Atlas Organics, LLC.

Mayor Schewel stated that Item #9, Acceptance of the 2018 Meet Me at the Park Grant from the National Park and Recreation Association and Disney, ABC and ESPN was a priority item of the City Manager's.

City Manager Bonfield announced that Items #5 and 13 were presentations that would be presented together.

SUBJECT: CITIZEN'S MATTER - GWYN SILVER (ITEM 19)

Ms. Silver spoke about the street assessment fee for Stone Hill Estates; addressed email communication with staff about the UDO, dues and open space; read the declaration of covenants for Stone Hill Estates HOA into the record; and requested Council remove the assessment responsibility of the HOA by sending to the Greater Development Company.

City Attorney Baker explained there was considerable history of the matter; after several years of negotiation, there would be an \$800 assessment (representing the homeowners covering 15% of costs with the city covering 85%); there were 15 lots designated as open space and pursuant to the UDO, those lots would be transferred as open space parcels to the HOA; there was an issue related to the transference between the developer and the HOA; and summarized that this was a private matter between the developer and the HOA.

SUBJECT: FY18-19 BUDGET DEVELOPMENT GUIDELINES (ITEM #3)

Bertha Johnson, Director of Budget and Management Services, was in attendance and stated she was available to answer Council's questions.

Mayor Schewel expressed the need to agree on the amount to spend for the implementation of the Participatory Budgeting (PB) initiative and urged discussion.

Mayor Pro Tempore Johnson addressed the timeline of the process; explained that the Steering Committee could be created at the April 5th Work Session and that funding could be discussed at the same meeting; and sought to maintain the goals of having the steering committee and bylaws in place prior to the July break.

City Manager Bonfield explained the budget approval process and the need to hire a consultant to work with staff; emphasized that the consultant would not be ready and in place by July 1. Budget Director Johnson echoed this fact; and detailed the process involved with formulating the PB Steering Committee and settling on staff's role.

Council Member Middleton asked if the PB initiative was the only one that involved plugging a number into it; asked about the *ad hoc* nature of PB as a project that required Council to devise a number relative to all the initiatives including Rapid Re-housing and Diversion.

City Manager Bonfield replied that most initiatives had defined purposes, boundaries and predictability; however, the scope of PB was undefined and very different from other city initiatives.

Council Member Caballero reinforced the need for mapping out a specific process while ensuring community engagement.

Council Member Reece echoed his colleague's statement about the deep level of community engagement; and noted that staff would need to provide the cost for the consultant, prioritization and funding for baseline expenses in FY18-19.

Mayor Schewel suggested discussing PB as an agenda item at the next work session on April 5, 2018 to include organizational questions and financing.

Director Johnson explained that Council could discuss the process but the criteria and commitment of persons on the PB Steering Committee would not be ready in two weeks. City Manager Bonfield would follow up with Director Johnson in the next two weeks. Council Member Freeman highlighted her deep concerns about the movement of the PB process; and urged participation from the bottom-up *not* top-down.

SUBJECT: U-3308 NC 55 (ALSTON AVENUE) WIDENING SUPPLEMENTAL AGREEMENT (ITEM #4)

Council Member Alston referenced the staff memo and asked for additional information on the eight-foot parking area from Main Street to Holloway Street.

Ellen Beckmann, Transportation Department, explained that Alston Avenue was being widened from two to four lanes ending at the Durham Freeway/Route 147, north of Main Street will be striped with on-street parking and a single bike lane.

City Manager Bonfield stated he would provide additional background information on the project to Council Member Alston.

Council Member Reece thanked Ms. Beckmann and the Transportation staff for their efforts in focusing on the betterment of the city by making Durham's streets easier for pedestrians to navigate.

SUBJECT: YARD WASTE OPERATIONS CONTRACT WITH ATLAS ORGANICS, LLC. (ITEM #15)

Jim Reingruber, Solid Waste, provided the staff report, responded to Council's questions and explained the composting of yard waste and intentions to sell the compost to customers.

Josh McNeil, Solid Waste, explained that 90% of stock would go to farmers.

Mr. Reingruber spoke to utilizing dry pads at Water Management allowing for a pilot program with Type 4 bio-solids.

Wayne Fenton, Solid Waste, answered questions about the organic waste recycling program and explained its timetable; stated the Compost Pilot Project had been approved; noted that current vendors were interested in working with the city's residents; indicated that yard and food waste would be included; and indicated the pilot would determine the content of the waste to be included, post-pilot.

SUBJECT: ACCEPTANCE OF THE 2018 MEET ME AT THE PARK GRANT FROM THE NATIONAL PARK AND RECREATION ASSOCIATION AND DISNEY, ABC AND ESPN (ITEM #9)

Council Member Reece spoke in support of the Parks and Recreation grant and urged staff to improve community engagement in regard to the voting process with special mention of East Durham; suggested a mobile app be used for voting/acceptance of ballots; and had misgivings about the approach that via the grantor, communities were forced to compete against one another.

Annette Smith, Parks and Recreation's Grant Administrator, would arrange for the East Durham Children's Initiative to collect ballots; and spoke to working with ABC11 to market plan.

Council Member Freeman responded that the East Durham Children's Initiative would be happy to collect ballots.

City Manager Bonfield requested the rules be suspended for a vote on the item.

MOTION by Council Member Middleton, seconded by Council Member Caballero to suspend the rules was approved at 1:44 p.m.; the motion carried unanimously.

MOTION by Council Member Caballero, seconded by Council Member Reece, to approve the acceptance of the 2018 Meet Me at the Park Grant from the National Park And Recreation Association and Disney, ABC and ESPN was approved at 1:45 p.m. by the following vote: Ayes: Mayor Schewel, Mayor Pro Tempore Johnson, and Council Members Alston, Caballero, Freeman, Middleton and Reece. Noes: None.

[PRESENTATIONS]

SUBJECT: UPDATE ON DEDICATED HOUSING FUND APPLICATION PROCESS (ITEM #16)

Reginald Johnson, Director of the Department of Community Development, made a PowerPoint presentation; shared the results of the application process; and answered Council's questions.

Council inquired about allocations to the Durham Housing Authority and Angier Avenue properties.

Director Johnson responded that the DHA possessed a substantial list of priorities and deliverables and the city would be recommending the allocation of \$2.9 million to the DHA; this amount would include carry over funds from the current fiscal year and funds from next fiscal year.

City Manager Bonfield explained that the DHA had a list of projects and priorities and would

come forward with funding requests that they could deliver on; did not believe Angier was on the DHA list; and spoke to an upcoming meeting with Director Scott of the DHA.

City Manager Bonfield asked if Director Johnson could provide an update on Goal #2, neighborhood stabilization projects involving Habitat and Durham Community Land Trustees.

Director Johnson deferred to Assistant Director Karen Lado to respond.

Assistant Director Lado explained the differential in scoring that focused on projects serving lower income households and with longer periods of affordability; explained unallocated funds in the housing fund for FY2018; and updated Council on the Habitat and DCLT homes and explained the number of units that could be constructed or repaired under multi-family preservation.

Mayor Pro Tempore Johnson inquired about remnant funds in the current fiscal year allocations and asked what typically happened to those funds; and asked about Habitat and if Habitat used deed restrictions in order to ensure long-term affordability.

Director Johnson responded that unallocated funds were being considered for next year's usage.

Assistant Director Lado noted the national Habitat model did not use deed restrictions but locally in the Durham chapter of Habitat, Habitat had committed to 20 years of affordability by using deed restrictions; and indicated that there were three RFP requests in 2018: multi family preservation, neighborhood stabilization and minor repairs.

Council Member Freeman asked if the property was sold within twenty years, and how was it handled when the house price was above what could be purchased; and asked if this was a right of first refusal or guaranteed affordability as per the deed restrictions.

Assistant Director Lado stated the city required affordability and Habitat had deed restricted properties.

Council Member Reece asked about the neighborhood stabilization bucket of money; asked about the remaining funds in the bucket and why the funds were not being awarded to Habitat but instead the Department of CD was issuing a RFP.

Director Johnson responded that it depended on the rules utilized within the RFP application process. In this case, when RFPs were issued, this default to Habitat stipulation had to be provided in the RFP, it was not; and explained the next series of RFPs in the next fiscal year were expected in the Fall 2018 (Nov-Dec 2018 deadlines).

Mayor Schewel summarized that Council has been able to fund its priorities and appreciated staff's providing advance notice to participants of the RFP process.

SUBJECT: JACKSON/PETTIGREW STREET DEVELOPMENT UPDATE (ITEM #17)

Reginald Johnson, Director of Community Development, explained that the item was intended to share the status of the project with Council and to allow for feedback.

Assistant Director Lado made the PowerPoint Presentation and summarized the project's Phases I and II; stated that Duke University and AJ Fletcher have offered grant funding to allow for Phase I to move forward and to set the stage for a second residential area, Phase II; noted that design changes would be necessary but an additional city subsidy would not be required for Phase I; next steps would be to continue moving forward with the final LIHTC application in May 2018 with feedback by August; considering tax credit development in Phase II with mixed income rental or home ownership project, staff needed Council's direction to determine timing of development spaces: either build Phase I only with parking/podium for that building and defer Phase II to a later date; or, build Phase I with entire parking deck; or build Phase I and II, simultaneously.

Mayor Schewel explained the city was receiving at \$2.5-3 million grant from Duke and AJ Fletcher and this was a significant gift for the Affordable Housing Fund and expressed appreciation for the gift; thanked the development team and was very excited about the opportunities for Phase II; and explained the gift would allow for expanded features on the site.

Council Member Alston concurred with Mayor's gratitude and felt reinvigorated by the presentation and looked forward to construction.

City Manager Bonfield explained that one of the commitments for property control was required in May; and despite the fact that Phase II would not be built at this time, asked if there was still anticipation that the entire property would be placed in the property control of the developer.

Assistant Director Lado responded that staff did not yet know if Phase II would not be developed at the same time as Phase I, there was still a possibility that it would move forward at the same time; stated that staff would make that decision over the summer; stated the option agreement was currently for the entire parcel and would not need to be executed until after the city was awarded the tax credits.

At this time, City Clerk Schreiber announced that the Council had nominated the following persons for reappointment to the Durham Cultural Advisory Board: Frank B. Konhaus, Cynthia Mebane-Watts, Daniel Ellison, Chris Ogden, Mary L. Rollins, Margaret Demott, Angela Lee and Katie Spencer; and recommended appointment of Joshua Gunn, Zena K. Howard, Tom Jaynes, Cynthia M. Penn-Halal and Rachel S. Wexler to the same Board.

Settling the Agenda – April 4, 2018 City Council Meeting

City Manager Bonfield announced the following items for the April 4, 2018 City Council Meeting agenda: Consent Items 2 thru 8 and 10 thru 15; Supplemental Item 20 and GBA Item 18.

MOTION by Council Member Reece, seconded by Council Member Middleton, to settle the agenda for the April 4, 2018 City Council as stated by the City Manager was approved at 2:38 p.m. by the following vote: Ayes: Mayor Schewel, Mayor Pro Tempore Johnson and Council Members Alston, Caballero, Freeman, Middleton and Reece.

MOTION by Council Member Middleton, seconded by Mayor Pro Tempore Johnson, to adjourn the meeting; the motion passed unanimously.

There being no further business to come before the Council, the meeting was adjourned at 2:39 p.m.

Diana Schreiber
City Clerk